

**TILLAMOOK CITY COUNCIL SPECIAL MEETING
FRIDAY, JUNE 25, 2010 - 5:15 P.M.
CITY HALL, 210 LAUREL AVENUE**

The Tillamook City Common Council met in special session on Friday, June 25, 2010 at 5:15 P.M. in the Council Chamber of Tillamook City Hall. Purpose of the meeting is to adopt the budget for FY2010-2011.

CALL TO ORDER:

Mayor McPheeters called the meeting to order at 5:18 P.M.

ROLL CALL: Those present for roll call:

Mayor Bob McPheeters
Councilor Joe Martin
Councilor Matt Harris
Councilor Suzanne Weber
Councilor Steven Forster
Councilor John Sandusky
Councilor Willard Berry

Members absent: None

Staff Present:

Mark Gervasi, City Manager
Terry Wright, Chief of Police
Bernadette Sorensen, City Recorder

AGENDA:

The posted agenda for the special meeting of June 25, 2010 is attached and by this reference is made a part of the record.

PUBLIC HEARINGS

1. OREGON STATE REVENUE SHARING FUNDS

Mayor McPheeters opened the Public Hearing for State Revenue Sharing. **Gervasi** stated public hearings on the proposed budget were held on May 19, 2010 and May 25, 2010. Staff recommends using State Revenue Sharing revenues to help supplement the General Fund as done in the past. There was no comment from the audience. No written comments were received. **Mayor McPheeters** closed the Public Hearing.

2. BUDGET HEARING ON APPROVED 2010-2011 CITY OF TILLAMOOK BUDGET

**Tillamook Special City Council Meeting
June 25, 2010**

Mayor McPheeters opened the Public Hearing. There was no comment from the audience. No written comments were received. **Mayor McPheeters** closed the Public Hearing.

LEGISLATIVE

1. RESOLUTION DECLARING CITY OF TILLAMOOK ELECTION TO RECEIVE OREGON STATE REVENUE SHARING FUNDS FOR FY2009-2010

Councilor Sandusky moved to approve the resolution declaring City of Tillamook election to receive Oregon State Revenue Sharing Funds for FY2010-2011. **Councilor Martin** seconded the motion. There was no discussion. Motion carried unanimously by Council seated.

2. FUEL BUSINESS LICENSE FUND #2400 ADJUSTMENT – ACTION ITEM

Sorensen explained that in Fuel Business License Fund #2400 the budget sheets show an unappropriated ending fund balance of \$5,000. There is also a revenue line item for \$5,000 for a street light. Actually, Resolution No. 1444 approved by Council on Dec. 19, 2005 appropriated that \$5,000. From that date forward it became part of the Beginning Fund Balance for that fund. The money lives in a LGIP account and will stay there until it is determined that a traffic light is to be installed at Third Street and Stillwell Avenue. Changes to the fund include the elimination of the \$5,000 revenue line item and a reduction in expenditure line items 024-24-53230 Maintenance/Materials from \$12,000 to \$9,500 and 024-24-55070 Special Projects Engineers from \$5,000 to \$2,500. This will balance the fund and eliminate the erroneous unappropriated ending fund balance.

3. RESOLUTION APPROVING TRANSFERS WITHIN FUNDS FOR THE FY2009-2010 ENDING JUNE 30, 2010

Gervasi explained the necessity of a \$15,000 transfer from the Mayor & Council sub fund and a \$15,000 transfer from the City Recorder sub fund to the City Manager sub fund to offset additional costs for annexation surveys, boundary survey for Dairy Queen property and administrative support. The Street Fund #2000 was a little over in their Personnel Services and so staff recommends transferring \$5,000 from Materials/Services to Personnel Services.

Councilor Martin moved to approve the resolution transferring appropriations within funds for the fiscal year ending June 30, 2009. **Councilor Weber** seconded the motion. Motion carried unanimously by Council seated.

4. RESOLUTION ADOPTING THE CITY OF TILLAMOOK BUDGET FOR FY 2010-2011, MAKING APPROPRIATIONS, LEVYING TAXES AND CATEGORIZING THE TAXES

Councilor Weber moved to adopt the City of Tillamook Budget for FY2010-2011, making Appropriations, Levying Taxes and Categorizing the Taxes. **Councilor Harris** seconded the motion. Under discussion **Councilor Berry** proposed an amendment to the original motion removing all increases in salaries in the 2010-2011 budget other than those included in the union contract and direct staff to make the appropriate changes.

**Tillamook Special City Council Meeting
June 25, 2010**

Councilor Martin seconded the motion in order to hear an explanation of the proposed amendment. **Councilor Berry** stated that with the possible decrease in income in the coming year he felt it necessary to cut some of the things in the budget in order to meet our upcoming obligations. State employees and school teachers have taken cuts in their salaries. We're still in a recession. With this budget employees are still receiving PERS and medical benefits. When asked what the increase would be Councilor Berry responded that it would be about 5% plus the increase in PERS and social security. **Sorensen** responded that the PERS rate will not increase until 2011. Councilor Sandusky disagreed with the amendment. He said a balanced budget was presented. Employees agreed to a pay freeze last year. The City has good people who need to be rewarded or morale would die. **Councilor Forster** asked if the increases were normal steps and Sorensen said yes. Forster agreed with Sandusky. **Mayor McPheeters** said that the budget was well considered by the Council and budget members of the community. Vote was called for on the amendment to the motion. **Amendment to the motion failed (1-5) with Councilor Berry casting the one Aye vote.**

The main motion to adopt the budget passed (5-1) with Councilor Berry casting a Nay vote.

ADJOURNMENT:

There being no further business the meeting was adjourned at 5:45 P.M.

APPROVED:

Mayor

ATTEST:

City Recorder